

JOHN N. HUGHES
ATTORNEY AT LAW
PROFESSIONAL SERVICE CORPORATION
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

TELEPHONE: (502) 227-7270

JNHUGHES@fewpb.net

TELEFAX (502) 875-7059

August 25, 2006

Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

RECEIVED

AUG 25 2006

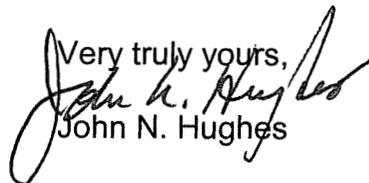
PUBLIC SERVICE
COMMISSION

Case No. 2006-00315

Dear Beth:

Northern Kentucky Water District submits the attached description of the sources of bond funds for this project, as requested by Staff. A copy of this letter has been delivered to the Attorney General's Office of Rate Intervention.

If there are any questions about this, please contact me.

Very truly yours,

John N. Hughes

Attorney for Northern Kentucky
Water District

Attachment

Northern Kentucky Water District

August 25, 2006

Mr. Jack Hughes
124 W. Todd St.
Frankfort, KY 40601

Re: Bond Funding for Sub-District F Project

Dear Mr. Hughes,

Bond funding for Sub-District F Project will come from the following Bond/BANs:

\$250,000 from Bond 2006/Rate Case 2005

\$500,000 from Bond 2003

Remaining funding from future BAN 2007

Should you have any questions or need additional information feel free to contact this office at 859-426-2717.

Sincerely,



John Scheben, Jr.
Design Supervisor

Cc: file
attachment